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STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

INDIANA UTILITY  
REGULATORY COMMISSION

IN THE MATTER OF THE INVESTIGATION )  
ON THE COMMISSION'S OWN MOTION, UNDER )  
INDIANA CODE § 8-1-2-72, INTO ANY AND ALL )  
MATTERS RELATING TO THE COMMISSION'S )  
MIRRORING POLICY ARTICULATED IN )  
CAUSE NO. 40785 AND THE EFFECT OF THE )  
FCC'S MAG ORDER ON SUCH POLICY, )  
ACCESS CHARGE REFORM, UNIVERSAL )  
SERVICE REFORM, AND HIGH COST OR )  
UNIVERSAL SERVICE FUNDING )  
MECHANISMS RELATIVE TO TELEPHONE )  
AND TELECOMMUNICATIONS SERVICES )  
WITHIN THE STATE OF INDIANA )

CAUSE NO. 42144  
(Phase 2)

**OVERSIGHT COMMITTEE'S SUBMISSION OF REQUEST FOR PROPOSAL  
FOR INDIANA UNIVERSAL SERVICE FUND ADMINISTRATOR**

The Indiana Universal Service Fund ("IUSF") Oversight Committee ("OC") respectfully submits the attached Request for Proposal ("RFP") for an independent third-party Administrator to oversee the IUSF to the Indiana Utility Regulatory Commission ("Commission") for its consideration and adoption. This submission reflects the OC's continuing efforts to fulfill the tasks delegated to it by the Commission in order to implement the IUSF and is made pursuant to the implementation timeline approved by the Commission in its June 18, 2007 Docket Entry in this Cause.

Respectfully submitted,

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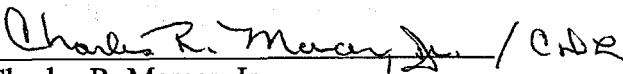
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**INDIANA UTILITY REGULATORY COMMISSION**

**CAUSE NO. 42144**

**REQUEST FOR PROPOSAL  
FOR AN INDEPENDENT THIRD-PARTY ADMINISTRATOR  
TO SERVE AS THE ADMINISTRATOR OF THE  
INDIANA UNIVERSAL SERVICE FUND  
ON BEHALF OF THE  
INDIANA UTILITY REGULATORY COMMISSION**

**ISSUED AUGUST 23, 2007**

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## **I. General Information**

- I.1 Purpose - The purpose of the RFP is to engage a neutral and experienced Independent Third-Party Administrator [referred to herein also as "The Administrator" or "The Third-Party Administrator"] to administer the Indiana Universal Service Fund ("IUSF"). The Third-Party Administrator should be experienced in fund administration and familiar with telecommunications regulatory policy, especially as it pertains to universal service.
- I.2 Issuing Party - The RFP has been issued by the Oversight Committee ("OC") of the Indiana Universal Service Fund, through the Indiana Utility Regulatory Commission ("Commission" or "IURC"). The IURC will make the final selection of the Administrator from among the bids submitted. Upon selection, the Independent Third-Party Administrator will execute a contract which sets forth each Party's responsibilities. The contract will incorporate relevant provisions of this RFP and the selected Independent Third-Party Administrator's Proposal.
- I.3 Background - The Commission is authorized under Indiana law to select an administrator for the IUSF created pursuant to its March 17, 2004 Order in Cause No. 42144. This RFP is designed to fulfill the purposes and responsibilities set forth therein.

The purpose of the IUSF is to implement a competitively neutral funding mechanism that promotes universal telecommunications service to all Indiana residents by ensuring availability of basic telecommunications services at just, reasonable, and affordable rates that are reasonably comparable between urban and rural areas of Indiana. The IUSF will be a multimillion dollar fund to be collected and disbursed by the IUSF Administrator under the direction of the Indiana Utility Regulatory Commission.

The IUSF is to be funded by mandatory contributions from all telecommunications carriers that provide intrastate retail telecommunications service in Indiana. These carriers shall pass through to their customers those contribution assessments, pursuant to a statewide uniform assessment rate or "Surcharge Percentage" that initially established by the IURC via docket entry dated July 25, 2007. The IUSF contribution assessments may be modified in the future by the IUSF Administrator, with Commission approval, no more than twice each calendar year, as necessary to maintain sufficient funds in the IUSF. All intrastate telecommunications carriers will be required to remit contributions to the IUSF each month, and to bill the surcharge to their respective end user customers on a monthly basis. Funds are to be disbursed by the IUSF administrator to eligible recipient carriers on a monthly basis.

Information on the Commission's requirements governing the IUSF is under development and will be available on the Commission's web site ([http://www.state.in.us/iurc/telecom/42144/42144\\_index.html](http://www.state.in.us/iurc/telecom/42144/42144_index.html)). Filings made by the IUSF Administrator will be available on the e-Filing Services section of the website under Cause Number 42144.

- I.4 Standards of Performance for Contract Services - The Independent Third-Party Administrator will be expected to produce a work product which is a result of its coordination and collaboration with the funds' participants and the Oversight Committee. The Independent Third-Party Administrator's work, as specified in the contract, and as directly assigned, is to be conducted in a timely and expeditious manner. The Independent Third-Party Administrator should be prepared to devote sufficient resources necessary to meet any procedural schedule, time lines, or deadlines which have been or may be established by the Commission or under Indiana law. The OC will monitor the progress and the results of the Independent Third-Party Administrator's work through direct contacts with the Independent Third-Party Administrator. The performance standards used in OC's monitoring will include:
- I.4.1 Effectiveness of project management including planning and timeliness.
  - I.4.2 Thoroughness of issue identification and resolution in reviewing IUSF funding requests.
  - I.4.3 Accuracy of the reports required for the IUSF, as well as the satisfaction of the fund participants.
- I.5 Type of Contract - Payment to the Independent Third-Party Administrator under any contract executed as a result of this RFP will be made based upon the hours actually worked by each individual, authorized itemized expenses and per diem, and fixed rates. Total payments to the Independent Third-Party Administrator will be limited to the quoted total contract costs.
- I.6 Rejection of Proposals - Any and all Proposals received may be rejected during the selection process. Negotiations may be undertaken with those Independent Third-Party Administrators whose Proposals as to price and other factors indicate that they are qualified, responsible, and capable of performing the work. Negotiations may be entered into separately with competing Independent Third-Party Administrators.



- I.7 Incurring Costs - Liability for costs incurred by any Independent Third-Party Administrator in preparing their response to the RFP during the selection process, including but not limited to any oral presentation at the Commission office, or otherwise incurred prior to the receipt of an executed contract, will be borne by the Independent Third-Party Administrator.
- I.8 Response Date - To be considered, an electronic Copy (provided on computer disc (CD) in Microsoft Word Format) and an original and three paper copies of the proposal must be delivered to the OC on or before 12:00 p.m. on October 8, 2007, at the street address listed below. Proposals received after that deadline, for any reason, will not be considered.

RFP Proposal for IUSF Administrator  
c/o General Counsel Scott Storms  
Indiana Utility Regulatory Commission  
101 West Washington Street  
Suite 1500E  
Indianapolis, IN 46204

- I.9 Questions - Should a bidder have questions as to the meaning or intent of any portion of this RFP, the bidder shall submit a written request for interpretation to the address above or by sending it via email to SStorms@urc.IN.gov no later than September 10, 2007. The questions and responses will be posted on the Commission's website on September 17, 2007 at the following hyperlink: <http://www.state.in.us/iurc>. A bidders' telephone conference may be conducted by the Oversight Committee with the participation of the Commission if requested by bidder(s). Anyone desiring to participate should provide a contact name, phone number and email address to the address above or by sending it via email to SStorms@urc.IN.gov not later than September 24, 2007.
- I.10 Proposals - To be considered, the Independent Third-Party Administrator must submit a complete response to this RFP using the format provided in Part III, *Information Required From Independent Third-Party Administrator*. Incomplete responses could result in disqualification from consideration. The Independent Third-Party Administrator should submit a cover letter, an electronic copy of the proposal, a signed original of the proposal, and three (3) paper copies of its proposal to the OC. In addition, the Independent Third-Party Administrator shall provide a signed letter of transmittal, acknowledging the obligations of any contract awarded in connection with the proposal and affirming that the signature on the letter represents the commitment of the Independent Third-Party Administrator to honor the requirements of any such contract. No other distribution of responses will be made by the Independent Third-Party Administrator.

Proposals must be signed by an official authorized to bind the Independent Third-Party Administrator.

- I.11 Oral Presentation - The Independent Third-Party Administrator may be required to make an oral presentation of the Proposal submitted in response to the RFP in Indianapolis, Indiana. This presentation would provide an opportunity for the Independent Third-Party Administrator to clarify its Proposal and allow answers to questions regarding the Proposal.
- I.12 Independent Third-Party Administrator Responsibilities - The Independent Third-Party Administrator will be required to assume responsibility for the delivery of all services offered in its Proposal including those of any subcontractors. Irrespective of subcontractors employed, the Independent Third-Party Administrator will be the sole point of contact with regard to contracts or contractual matters.
- I.13 Public Disclosure - The Independent Third-Party Administrator shall not allow media releases or other public disclosures pertaining to the RFP or the work to be performed, without receiving prior written consent from the Commission.
- I.14 Disclosure of Proposal Contents - All responses to the RFP in possession of the Commission will be subject to public disclosure under the Indiana Freedom of Information Act. Generally, however, responses will be considered 'work in process' under that Act until such time that a proposal is officially selected.
- I.15 Amendment - Changes in the time frame, scope or objectives of the work required, including but not limited to changes in state or federal regulations, court decisions, and new enactments by the State of Indiana and the U.S. Congress, may require amendment of the contract to recognize additional compensation and expenses. Amendment or extension of the contract must be authorized by the Commission.
- I.16 OC RFP Participation - With regard to the RFP, the OC will:
- Receive and evaluate all responses
  - Recommend the selection of the Independent Third-Party Administrator to the Commission
  - Participate in drafting of the contract
- I.17 Duties of the OC - With respect to the resulting contract, the OC's duties will include, but not be limited to:

- monitoring the performance and the results of the Independent Third-Party Administrator's work through direct contacts with the Independent Third-Party Administrator and parties who receive payments from the IUSF.
- I.18 Compensation – The Independent Third-Party Administrator will submit invoices monthly to the Commission. Each invoice should be of sufficient detail to relate the costs reflected therein to the work performed by individual and area of work.
- I.19 Termination – The Commission reserves the right to terminate the contract with the Independent Third-Party Administrator upon thirty (30) or more days written notice to the Independent Third-Party Administrator. In the event of termination, other than as a result of a default by the Independent Third-Party Administrator, payment for the amount of the services rendered prior to the effective date of termination shall be made, provided the Commission has received proper and accurate invoices for those services.

## **PART II STATEMENT OF WORK**

- II.1 Introduction – This Section of the RFP addresses the detailed requirements for the work to be performed during the term of the contract. The Independent Third-Party Administrator's proposal shall clearly reflect an understanding of and agreement with the stated requirements of the RFP. Submission of a proposal indicates acceptance of the conditions contained in the RFP, unless clearly indicated otherwise.

To expedite the establishment of the IUSF while the RFP process to select an Independent Third-Party Administrator is completed, an Interim Administrator has been engaged. The Interim Administrator is responsible for identifying the names and addresses of contributors and recipients and developing the necessary databases and processes to establish the fund. The Independent Third-Party Administrator will be responsible for coordinating with the Interim Administrator for the transfer of funds and all information necessary for administration of the IUSF, in an economic manner.

- II.2 Work Plan – The Independent Third-Party Administrator should submit a work plan upon which the Independent Third-Party Administrator's estimate for the total contract price should be based. This should ensure an understanding of the issues and subjects which will be addressed and will provide the Commission and the Independent Third-Party Administrator a written document to which they can refer throughout the term of any contract. That work plan should cover the contract period beginning December 14, 2007 and continuing through December 31,

2008. The Contract will provide the option of a two year extension through December 31, 2010. The work plan should separately address the activities for the periods December 14, 2007 through December 31, 2008, and January 1, 2009 through December 31, 2010. In its proposal, the contractor shall identify the cost of the activities for each of the two periods as well as the total project cost which shall be the sum of the cost for the two periods.

II.3 Time Schedule –The Independent Third-Party Administrator shall comply with all time requirements set forth in all applicable Commission Rules and Orders.

II.4 Work to be Performed – Projects subject to this RFP and the work to be performed on each will include but are not limited to:

**A. Administration of the IUSF**

1. Identification of participants - The Independent Third-Party Administrator will identify as many providers subject to contributing to the IUSF, as reasonably possible. This will include all telecommunications carriers who provide intrastate retail telecommunications service in Indiana as provided by the Commission to the Independent Third-Party Administrator.

2. Provider Compliance - The Independent Third-Party Administrator will act as an agent of the Commission to ensure compliance by providers by advising them of IUSF practices and procedures. This includes written and telephone correspondence with providers to explain IUSF administration and the purposes for which IUSF contributions are assessed. Independent Third-Party Administrator will inform providers of all changes in the assessment rate for the IUSF.

3. Clarification to Providers - Only the Commission may make final determinations on policy issues. However, upon the request of a provider, the Independent Third-Party Administrator will provide oral or written information or clarification concerning IUSF requirements. Such oral or written information may consist of explanations of existing policy. The Independent Third-Party Administrator will exercise reasonable care that its explanations or clarifications are consistent with IURC orders, entries, rules and Indiana statutes. The Administrator will maintain a record of material written and oral interpretations in a separate binder and copies will be sent to the Commission (including written summaries of material oral communications) within 10 days of the time the interpretation is provided. From time to time, the Independent Third-Party Administrator may recommend that the Commission revise its IUSF Rules or issue further rulings as may be necessary to resolve questions.
4. Information Packages - The Independent Third-Party Administrator will provide an IUSF information package to providers. The package will include, as appropriate, a letter of introduction, copies of applicable statutes and the IUSF Rules, an IUSF remittance worksheet and detailed instructions for completing the worksheet and remitting payments to the Independent Third-Party Administrator. The Independent Third-Party Administrator will provide IUSF information to new providers as they are identified and to known providers, upon request.
5. Revenues - The Independent Third-Party Administrator shall provide the Commission with a report detailing providers' Indiana retail telecommunications service revenues for the preceding calendar year by May 30<sup>th</sup> of each year.

6. Remittance Worksheet - The Independent Third-Party Administrator will develop and distribute a provider remittance worksheet for providers to calculate and remit their IUSF contributions. The worksheet will include the provider's "net billed intrastate retail telecommunications revenue"<sup>1</sup> and the 2% billing and collection administrative fee retained by the provider. The Independent Third-Party Administrator will provide a monthly account statement to all providers with a non-zero balance.
7. Reporting Schedule - The Independent Third-Party Administrator will develop and distribute to providers an annual IUSF reporting schedule. The due date for provider contributions shall be established by the Independent Third-Party Administrator. Provider remittances will be collected through a "lockbox", a secure means of depositing the remittance at a federal insured financial institution, selected by the Independent Third-Party Administrator.
8. Provider Disputes - The Independent Third-Party Administrator will have the initial responsibility to resolve any provider disputes regarding the amount of a provider's contribution to the IUSF. Providers shall have the ability to appeal the Administrator's determination to the Commission. In the event of an appeal to the Commission, the Independent Third-Party Administrator shall provide the Commission complete documentation regarding the disputed contribution and a written report of the Independent Third-Party Administrator's findings on the dispute. The Independent Third-Party Administrator shall collect the full amount of the disputed contribution pending resolution.
9. Remittance of Payments - The Independent Third-Party Administrator will take reasonable steps to ensure that providers remit payments completely and on a timely basis.
10. Information Checks - The Independent Third-Party Administrator will examine and analyze the monthly information provided by each provider and review for mathematical or other errors or omissions and compliance with procedures for contributions.

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<sup>1</sup> The "net billed intrastate retail telecommunications revenue" is computed by taking billed intrastate retail telecommunications revenue and subtracting actual intrastate retail telecommunications uncollectibles.

11. Audits - If and as directed by the Commission, the Independent Third-Party Administrator shall undertake a review or audit of the financial records of one or more providers (per diem reimbursement). In the event that the Administrator has concerns about the integrity of the financial data filed with the Administrator, the Administrator may request authority from the Commission to conduct an audit of one or more of the providers.
12. Delinquencies - The Independent Third-Party Administrator will determine delinquencies and so inform providers as needed. The Administrator is further responsible for determining when a Provider has failed to make its remittance, in full, by the relevant due date. The Administrator shall first notify the Provider of the delinquency and, if the Provider does not make arrangements within TBD days to remit the delinquent payment, the Administrator shall assess a late charge. The Commission shall have the authority to waive a Late Charge assessed upon a provider.
13. Late Charges - The Independent Third-Party Administrator shall assess late charges upon providers making late payments. Provider contributions to the IUSF are to be considered late if the payment is not received within five days of the due date established by the Independent Third-Party Administrator. The late charge shall total 2.0% of the current monthly payment due but in no event shall the late charge be less than fifty (\$50) dollars.
14. Appeals Summaries - If requested by a provider, or if an appeal is taken to the Commission, the Independent Third-Party Administrator will prepare and transmit to the Commission and to the provider a written summary of the findings and conclusions that led to the delinquency notice.
15. Collections - In the event that the Independent Third-Party Administrator's reasonable efforts fail to secure collection of IUSF charges, the Independent Third-Party Administrator will inform the Commission and provide complete documentation of charges assessed, delinquency notices, and other collection activities to date.

16. Fund Disbursement - The Independent Third-Party Administrator shall disburse funds from the IUSF directly to eligible carriers on a monthly basis. Funds disbursed to eligible carriers shall be calculated pursuant to the approved settlement agreement in Cause No. 42144. The calculation methodology therein specified is incorporated in this contract by reference as the only methodology to be used by the Independent Third-Party Administrator to determine fund disbursement amounts.
17. Fund Transfers - All IUSF support disbursements shall be made by electronic transfer when possible, payable to the eligible carrier.
18. Maintenance of Data - The Independent Third-Party Administrator will accumulate and store IUSF data by provider, including revenue data, in a database. The Independent Third-Party Administrator will analyze the database to compare current reported data to previously reported data. The Independent Third-Party Administrator will make appropriate inquiries of providers that submit worksheets with significant unexpected increases or decreases in contributions.
19. IUSF Surcharge Percentage - The Independent Third-Party Administrator shall be responsible for calculating, at least annually, the IUSF Surcharge Percentage applicable to providers' intrastate retail telecommunications service revenues. As necessary, the Independent Third-Party Administrator shall modify the assessment factor to ensure the provision of sufficient funds to meet requests for reimbursement from the IUSF and to ensure that the IUSF does not operate at a deficit.

#### **B. Fund Management of the IUSF**

1. Fund Investments - The Independent Third-Party Administrator will invest cash resources of the funds in an FDIC-insured bank account, provided that, to the extent possible, the available cash balance in that account will not exceed the federal deposit insurance limit of \$100,000; or secure short-term investments designed to maximize security, liquidity and yield, in that order.



2. Accounts - The monies of the fund will be tracked by the Independent Third-Party Administrator and earnings of the fund monies, net of investment expense, will be credited to the fund.

### **C. Required Reports of the IUSF**

The Independent Third-Party Administrator will file the following reports with the Commission:

1. Annual Financial Statement - On or before March 1 of each year, the Independent Third-Party Administrator will provide an unaudited annual financial statement for the IUSF for the preceding calendar year to the Commission. Annual statements will be prepared using accrual basis accounting.
2. Monthly Status Reports - Independent Third-Party Administrator shall file monthly status reports for the IUSF, in Commission Cause No. 42144.
3. IUSF Annual Reports - No later than February 15<sup>th</sup> of each year, the Independent Third-Party Administrator will provide a report to the Commission detailing prior calendar year data regarding the number of providers participating in the IUSF, the number of eligible carriers requesting disbursements from the IUSF, the total amount of disbursements to each eligible carrier for the year, and any additional information that will assist the Commission in its oversight of the Administrator's management of the IUSF. This obligation will be fulfilled by Independent Third-Party Administrator as a part of the obligations of the contract for the report due on February 15, 2009 and each February 15 thereafter, if the option to renew is exercised by the Commission.

II.5 General Scope of Projects/Contract – For each project in Part II.4, the contract shall require that, as necessary, the Independent Third-Party Administrator:

- research the statutory regulatory treatment and precedent regarding issues in the context of both state and federal jurisdictions including, but not limited to, Indiana Statutes, Commission Orders, Commission Rules, Federal Statutes, FCC Orders, and FCC Rules.
- prepare written reports and or testimony;
- participate in on-site conferences, hearings or proceedings, including, but not limited to, providing expert testimony;
- provide other advice and analysis as requested.

### **PART III INFORMATION REQUIRED FROM INDEPENDENT THIRD-PARTY ADMINISTRATOR**

All Proposals must be sealed and signed by an officer, principal or employee of the Independent Third-Party Administrator who is authorized to legally bind that Firm. The Independent Third-Party Administrator's Proposal must address all requirements of the RFP and be submitted in the format outlined below. The requirements in Parts III.1 through III.8 should be provided separately by Project for the administration of the IUSF:

III.1 Statement of Expected Activity – The Statement of Expected Activity must demonstrate a clear understanding of the issues directly relevant to the Independent Third-Party Administrator's work, including its objective and scope.

III.2 Work Summary – The Independent Third-Party Administrator shall provide a narrative description summarizing the expected activity, with a description of the analysis, comments, testimony, reports, and participation which the Independent Third-Party Administrator expects to provide on behalf of the Commission pertaining to that activity or project.

III.3 Preliminary Work Plan – For each project, the Independent Third-Party Administrator should provide a preliminary work plan, consisting of detailed descriptions of each task involved in the project, resources assigned to the tasks and time schedules for task completion. The task descriptions should be in sufficient depth to afford the Commission a thorough understanding of the proposed work plan. This should include a description of the performance measurement techniques, data sources, and analytical methods to be employed by the Independent Third-Party Administrator.

III.4 Prior Experience – The Independent Third-Party Administrator must submit a statement of its experience in similar activity, with identification of dockets, cases, legislative presentation, clients<sup>2</sup> represented, and the dates related thereto. Statement submission is also required of any subcontractor, if applicable. The experience listed in the statement should relate to work done by the Independent Third-Party Administrator rather than individuals. The Independent Third-Party Administrator shall attach to the proposal a copy of any recent reports, summaries, studies and/or testimony addressing matters similar to the issues included in Part II.4.

III.5 Personnel – The proposal is to include the names and positions of all Independent Third-Party Administrator personnel who will actually be performing the work. This requirement also applies to any subcontractor, if applicable. The tasks to which each person would be assigned should also be stated. No substitution of any of the personnel listed in the proposal will be permitted without the prior approval of the Commission.

Each person's education and experience, pertinent to the work to be performed, must be included. In addition, both the personnel of the Independent Third-Party Administrator and any subcontractor personnel that are to be assigned may be subject to personal interviews. A summary of similar work or projects, with approximate dates of that work, shall be included for each person. Descriptions of an individual's experience must include the individual's responsibility in previous assignments and whether or not the engagement occurred during the period of employment with the Independent Third-Party Administrator. Each individual's resume should focus on those work experiences that directly relate to his work areas related to the work outlined herein. To the extent any references for individual employees of either the Independent Third-Party Administrator or the subcontractor are different from those noted in the previous section, they should also be provided.

III.6 Statement of Potential Conflicts of Interest – The Independent Third-Party Administrator must disclose any contracts, services rendered, relationships, circumstances, or interests between the Independent Third-Party Administrator, its consultants, or subcontractors and other clients which may pose a conflict of interest, influence judgment or impair objectivity, or give the appearance of such conflict. If there have been no such relationships, a statement to that effect is to be included. Additionally, the Independent Third-Party Administrator should disclose its client list for all similar work performed during the past five (5) years, identifying the client, nature of review/assistance and dates of service.

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<sup>2</sup>The name, address, and phone number of the responsible official of the client company and/or regulatory agency who may be contacted must be included.

III.7 Cost and Price Analysis – The information requested in this section is required to support the reasonableness of the price quote. The information is intended for internal use but may be subject to disclosure as discussed in Part I.14. The format below is to be used. The Independent Third-Party Administrator must itemize the estimated man-hours and costs allocated based on the assumptions and estimates used in its preliminary work plan. The cost associated with each project identified in Part II. 4, *Work to be Performed*, shall be shown separately. To the extent possible the costs should be broken down by individual utility proceeding.

III.7.1 Personnel Costs – These costs should reflect expense levels over the period of the *Work Plan*, Part II.2, and are to be itemized so as to show the following for each individual assigned to the project:

III.7.1.1 Category (For example, *project manager, senior analyst, staff analyst*, etc.)

III.7.1.2 Estimated hours for each task, both on-site and off-site

III.7.1.3 Rate per hour

III.7.1.4 Total personnel costs

III.7.2 Cost of Supplies and Materials - Itemized

III.7.3 Other Independent Third-Party Administrator Costs - Itemized

III.7.4 Subcontractor Costs - Itemized as in III.7.1 above

III.7.5 Transportation Costs - Air fare, ground transportation costs, lodging, and per diem costs should be shown separately

III.7.6 Total Maximum Cost of Contract Proposal

III.8 Time Estimates – The time assigned to the required activity should be estimated for each issue area and task in the *Work Plan*. The number of man-hours allocated to each task by individual consultant should be indicated with a project schedule type display showing each activity in the proposed *Work Plan*. A summary time estimate indicating the total time required for each of the activities is also to be included.

III.9 Statement of Confidentiality – During the course of the contract, the Independent Third-Party Administrator agrees that it shall not disclose the progress or preliminary findings of the Project other than to the Commission, and that it shall comply with Commission Orders regarding the treatment of proprietary information.

III.10 References – The Independent Third-Party Administrator shall provide a list of clients that the OC may contact for the purposes of obtaining information related to the performance of the Independent Third-Party Administrator. The client list shall include the name of the client, a

contact person, a current telephone number, a summary of the work performed for the client, and the dates of the engagement. References should be provided for all work performed similar to that included in this RFP.

- III.11 Statement of Understanding - The Independent Third-Party Administrator shall include its statement that it has read the RFP and it understands all sections thereto and will comply with those sections.
- III.12 Financial Statements - The Independent Third-Party Administrator shall provide a copy of its most current calendar year-end or fiscal year-end financial statements. Those statements need only reflect large general categories of assets, liabilities, equity, revenues, and expenses.
- III.13 Equal Employment Opportunity Policy - Any entity or person submitting a proposal regarding this contract should submit a copy of its current Equal Employment Opportunity Policy as a condition precedent to accepting a proposal or entering negotiations for professional consulting services.

#### **PART IV CRITERIA FOR SELECTION**

All responses received shall be subject to evaluation by the OC. The following areas of consideration will be among those used in making the selection:

- IV.1 Understanding of the Task - This refers to the Independent Third-Party Administrator's understanding of the Commission's objectives, and the nature and scope of the work involved as evidenced in the Firm's Proposal sections: *Statement of Expected Activity, Work Summary, Preliminary Work Plan, and Prior Experience.*
- IV.2 Independent Third-Party Administrator's Qualifications - This includes the demonstrated ability of the Independent Third-Party Administrator to meet the terms and requirements of the RFP by a
- familiarity with Indiana ETCs;
  - familiarity with the IUSF history and procedures;
  - familiarity with the Federal Universal Service Fund history and procedures;
- IV.3 Professional Personnel - This refers to the competence of the professional personnel who are assigned to the job by the Independent Third-Party Administrator. Qualifications of the professional personnel will be measured by:

- education and experience, with particular reference to experience on projects similar to those described herein; and
- the Firm's commitment to the consistent assignment of these same personnel to this project.

**IV.4 Soundness of Approach – The Proposal will be evaluated on:**

- the techniques for collecting and analyzing data;
- the sequence and relationships of major steps;
- the methods of managing the assignment; and
- the thoroughness of issue identification and development.

**IV.5 Cost – The cost of each proposal will receive significant weight in the selection process, but will not be the sole determining factor.**

**IV.6 Potential Conflicts of Interest/Independence – This refers to any Independent Third-Party Administrator or subcontractor which has performed work for telecommunications providers in Indiana, their parent company, or their affiliate companies.**